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ABSTRACT

This report presents a general overview of equity issues in the modern South. It discusses access to such needs as jobs and job opportunities, health, housing, education, government benefits, political power, resources, and protection. Six at-risk groups receive special focus: the poor; Blacks; Hispanics; women; older Southerners; and the handicapped. These major recommendations for increasing equity are offered: (1) dispel myths about the poor and minorities, and utilize their dignity and strengths; (2) educate the public to be aware of the interdependence of society, and to recognize that healthy development is equitable development; (3) involve community based organizations in planning and policy development; (4) coordinate planning in State and local government, and involve all relevant departments under strong gubernatorial leadership and commitment; (5) involve the private sector as a partner; (6) identify and adopt effective models for educational and economic development; (7) develop innovative ways to use existing resources; (8) be positive and creative, rather than punitive, in job training and the extension of support services; and (9) act rather than react, i.e., invest in compensatory education rather than funding grade repetition. Appendices include four position papers: "Poverty in the South" (Steve Suitts), "The Socioeconomic Status of Blacks" (David H. Swinton), "Sex Equity in the South" (Barbara Ellen Smith), and "Status of Older People in the South" (Andrew Doblestein); and a list of other testimony presented to the commission. (KH)

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# 1986 Commission on the Future of the South

Cross-Cutting Issue Report No. 2

# Equity: The Critical Link in Southern Economic Development

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## Southern Growth Policies Board

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## The Southern Growth Policies Board

The Southern Growth Policies Board is a public, interstate agency governed and supported by the state and local governments of the southern United States and Puerto Rico. It represents a regional commitment to excellence, a cooperative effort to develop, conserve, and put to best use the South's natural and human resources. In order to enhance the region's decision-making processes, the Board assembles objective information and makes recommendations regarding economic development opportunities in the South.

Board membership consists of five persons from each member state: the governor; a state senator and state representative appointed by the heads of their respective legislative houses; and two leading citizens appointed by the governor. Members include Alabama, Arkansas, Florida, Georgia, Kentucky, Louisiana, Mississippi, North Carolina, Oklahoma, South Carolina, Tennessee, Virginia, and the Commonwealth of Puerto Rico. Other states eligible to join are Delaware, Maryland, Missouri, Texas, and West Virginia. The territory of the Virgin Islands is also eligible.

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THE 1986 COMMISSION ON THE FUTURE OF THE SOUTH

# EQUITY: THE CRITICAL LINK IN SOUTHERN ECONOMIC DEVELOPMENT

Ms. Lucy R. Watkins
*Consultant*

## SOUTHERN GROWTH POLICIES BOARD

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*Governor of Arkansas*
*Chairman, Southern Growth Policies Board*

The Honorable William F. Winter
*Chairman, 1986 Commission on the Future of the South*

Dr. Jesse L. White, Jr.
*Executive Director, Southern Growth Policies Board*

## EDITOR'S NOTE:

This report was commissioned by the 1986 Commission on the Future of the South as an analysis of a critical cross-cutting issue facing the South in the next six years. Opinions expressed herein are those of the author and do not necessarily reflect official policy adopted by either the 1986 Commission on the Future of the South or the Southern Growth Policies Board.

Jesse L. White, Jr.
Executive Director
Southern Growth Policies Board

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**The Honorable Betsy L. Cochrane,** Minority Leader of the N.C. House of Representatives, Advance, North Carolina.

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**The Honorable Wilson W. Wyatt, Sr.,** former lieutenant governor of Kentucky and mayor of Louisville, currently practices law in Louisville.

**Ms. Harriet Zimmerman,** National vice-chairwoman of United Jewish Appeal, Atlanta, Georgia.

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## Charge to the Board in Establishing the 1986 Commission on the Future of the South

***Governor Bill Clinton, Arkansas***
***Chairman, Southern Growth Policies Board***
***(1985-86)***

The opportunity in 1986 to be a part of the Commission on the Future of the South is especially important to me, because my state will be 150 years old this year. For most of that 150 years we have been like much of the South: rural, poor, and proud...always seeking elusive dreams and wanting something we knew we deserved and never have quite been able to achieve.

As we take this unique opportunity to look at the future of our region moving toward the 21st Century, I think we should ask ourselves some very searching questions. Can the South at long last achieve a standard of living that is equal to or beyond that enjoyed by the rest of this country? Can we at long last have the range of educational and economic opportunities that our people certainly deserve and clearly need? Can we do it in every state, in rural as well as urban areas, for blacks as well as for whites? How can we maintain an almost laser-like concentration on the education reform issue for at least a decade?

I am optimistic. I believe that the kinds of economic and structural changes which have occurred may make it possible for us as a people to achieve for the very first time the economic status that the character and values and strength of our communities and our people merit. But, I am also mindful of the fact that our optimism may be founded more on faith than light, as it has so often been in the history of the South. I hope that this Commission report can be very specific in identifying the things that we have to do if we are going to answer those questions. And I hope it will be the kind of report that we can implement in the years ahead.

One thing is paramount. None of our states can ever be where we hope they will if we have an increasing percentage of people living below the poverty line and no constructive response to it. If we have learned anything in the South better than the rest of the country, it is that we are going up or down together as a people. Because of our history and because of the progress we have already made, we should take upon ourselves the commitment to prove that our country can achieve excellence with equity. I am absolutely convinced that it can be done and it ought to be done in the South, better than and before any other region.

And, finally, let me say that we should never forget why we are doing this. I go back to Hot Springs, Arkansas, twenty-three years ago, when as a boy of seventeen I happened to hear Dr. Martin Luther King, Jr. make his "I Have a Dream" speech on television. I will never forget one thing he said that now means more to me than anything else. He said that he hoped one day his four little children would be judged not by the color of their skin but by the content of their character. I would like to see the people who live in my state and in my region be judged by the content of their character, but it will never happen until every child, by dint of his or her effort, can get a decent education and a decent, nationally competitive set of economic opportunities. And that is why we ought to do our best to chart the future of the South in 1986.

*Excerpted from Governor Bill Clinton's inaugural address as Chairman of the Southern Growth Policies Board, June 1985, Atlanta, Georgia.*

## The 1986 Commission on the Future of the South

> The specific goal of the 1986 Commission on the Future of the South is to produce "a short, readable report to the people of the South which can be used by governors, legislators, and other leaders to mobilize support for those public policies and public-private partnerships which will increase the per capita income, reduce poverty, and reduce unemployment for Southerners by 1992."
>
> *Arkansas Governor Bill Clinton*
> *Chairman, Southern Growth Policies Board*

The interstate compact agreement which established the Southern Growth Policies Board in 1971 calls for the Board to prepare a Statement of Regional Objectives every six years. This Statement is intended to recommend strategies for approaching regional problems and may also identify projects deemed to be of regional significance. The process that has emerged for identifying these objectives has become known as the Commission on the Future of the South.

The first Commission convened in 1974 under Georgia Governor Jimmy Carter's chairmanship; the second in 1980 under South Carolina Governor Richard Riley's. This year's Chairman of the Board, Arkansas Governor Bill Clinton, followed their example in appointing a blue-ribbon panel of twenty southern leaders from the public sector, business world, and universities. Former Mississippi Governor William F. Winter was selected to serve as Chairman of the Commission.

The formidable task before the 1986 Commission has been to address the challenge set forth by Governor Clinton, cited above. In the words of Governor Winter, "the heart of the problem has been to find a solution to the dilemma of two Souths which are rapidly growing farther apart. One is represented by the popular image of the modern Sunbelt. But there remains that other South, largely rural, undereducated, underproductive, and underpaid that threatens to become a permanent shadow of distress."

The full Commission held its organizational meeting in Atlanta in January 1986. At its next meeting in March, Governor Winter appointed three working committees on topics identified as critical to the progress of the region: Human Resource Development; Technology and Inno vation; and Government Structure and Fiscal Capacity. The committees decided to seek information about the region's problems and opportunities via public hearings across the South. During the spring, the committees held seven public hearings, taking testimony from 77 expert witnesses and receiving written testimony—including commissioned papers—from many others. Each committee distributed a synopsis of the information it accumulated and the issues it identified to all Commission members.

The full Commission assembled again in May in Atlanta to hear reports concerning five "cross-cutting themes" whose impact upon southern economic development would be considered in all Commission deliberations. These themes included concerns about equity, the internationalization of the southern economy, disparities in the economic progress of urban and rural areas, capital and infrastructure issues, and quality of life. Consultants prepared written reports about each of these cross-cutting issues. In addition, they contacted hundreds of individual Southerners and groups to gather information for their reports.

Upon the conclusion of the public hearings, each committee drafted a report which outlined its findings and recommendations. The three committee reports and five cross-cutting reports were presented at the fourth meeting of the full Commission in September at the Graylyn Conference Center in Winston-Salem, North Carolina. Through a series of lengthy roundtable discussions, the Commission crafted the ten strategic objectives which are presented in the final Commission report.

The final report of the 1986 Commission on the Future of the South was presented in November to the full Board of Directors of the Southern Growth Policies Board at its 14th Annual Meeting in Little Rock, Arkansas.

## PREFACE

Equity is a theme which has influenced all of the deliberations of the Commission on the Future of the South. Equity is, by definition, "freedom from bias or favoritism." Equity issues address the differences in economic opportunity and outcomes based on race, sex, age, or ethnicity. This report addresses disparities in educational attainment, employment opportunities, health, political participation, and wealth among the people of the South—disparities that hold back the economic progress of the whole region. As Southern Growth Policies Board Chairman Governor Bill Clinton stated in his charge to the Commission, "We cannot advance the cause of one group of our people at the expense of another . . . we're going up or down together."

The Ford Foundation provided support to the Southern Growth Policies Board to ensure that equity considerations became an integral part of the Commission's work. A process was established for addressing equity issues by preparing a document, represented by this publication, and closely monitoring the work of the Commission as a constant reminder that the objectives must not only treat all people fairly but should act to overcome historical injustices.

Testimony was solicited from organizations representing the interests of those whose economic opportunities have been diminished as a result of their age, ethnicity, race, economic class, or sex. In addition, four papers were commissioned on special topics from the perspective of particular segments of the South's population: the poor, blacks, women, and older Southerners. This report was presented to the Commission on the Future of the South as it began to gather information and formulate its objectives.

## A WALK THROUGH THE FUTURE

I'd like you to take a walk with me in the year 2000, a short 14 years from now, but about the same time it took us to get from that famous bridge in Lexington, Massachusetts, to Philadelphia and the ratification of the Constitution. I'm sure you've been guided by George Santayana's comment that "Those who cannot remember the past are condemned to repeat it." But it's equally as instructive and necessary to know where we are going. As a famous neurophysiologist once said, "The cat jumps not to where the mouse is, but to where the mouse will be."

So, let us walk through a southern town in the year 2000. It appears more crowded than we expected. This should not surprise us. In 1986, the Southern Growth Policies Board member states already had 25 percent of the country's population, and over the next 14 years were expected to increase at more than twice the rate of the rest of the country—from 54 million in 1980 to over 67 million in 2000.

The next thing that catches our eye is a rest home for old people. The benches are crowded, and there are many wheelchairs. Most of the residents are white. The aides and attendants are all women, and mostly minorities, and there does not seem to be quite enough of them to meet the needs of the old folks. Again, we should not be surprised: 12 percent of the population in 1986 was over 65, but by the year 2000, older adults are expected to comprise 14.2 percent of the population. In addition, since in 1986 the average age of whites was 31 years, and the average age of blacks was 25 and Hispanics, 22, there was bound to be an increasingly older white population, supported by an increasingly minority working age population. In 1950, 17 working people supported each retiree; in the year 2000, just over three workers support each retiree, one of whom is a minority.

A few blocks down the street, we pass a school. It is not as crowded as we thought it might be, and we are surprised at how many of the children are minorities. Well, we might have known. Our projections back in 1986 told us that the proportion of the population 0-14 years old would decrease from 22.4 percent to 20.5 percent, and that of 15-24 years old would drop from 18.5 percent to 13.8 percent. In addition, since the average age of minorities in 1986 was younger than among whites, more of them are likely to bear children who will be school-age in the year 2000. The birth rate for whites was only 1.7 children per female, while blacks had 2.4 children, and Mexican-Americans, 2.9.

In quick succession, we pass several more scenes that make us pause. Among a construction crew we spot one woman, but most of the heavy equipment is being driven by white men. In the long lines at the unemployment office, there are more than twice as many blacks as whites, and about half of the people are women. Almost half of the jobs being offered are in trade and service work, and only 13 percent are manufacturing jobs. Again, we should not be surprised. We pull out our analyses and projections and find that 35 percent of the South's employees were working in trade and services, and of the 8.4 million new jobs expected to be added to the economy by the year 2000, 6.2 million of them would be in trade and services. As for manufacturing, we could expect a 14 percent reduction in the already declining non-durable manufacturing jobs. In the year 2000, only one in ten workers is employed in manufacturing; in 1986, it was one in five.

Now, let's drop by the job training facility next door. It is quite small, considering how rapidly work is changing; only about one out of every 25 eligible workers is enrolled, and one out of every four is a high-school dropout.

In the restaurant where we stop for a sandwich all of the people serving lunch are women; most are minorities. A man in line at the bank, who has an eighth grade education, deposits a paycheck that is larger than that of the woman behind him in line, who has a college degree. We go through an office building and count 98 female secretaries and two male secretaries. In the glass walled offices behind the secretarial desks we see eight men, two of them black, and two women, both white.

There is a new high tech plant on Main Street, which, though it has supplied only about five percent of the new jobs in town, has spawned many times that many service jobs in the overall economy. The white chief executive officer complains that he cannot get a long distance line, but the telephone company, because it is short of help, cannot send a repair man until tomorrow. "It doesn't surprise me they can't get trained help," the executive remarks. "One of every five 17-

year-olds we screened for our summer jobs program couldn't read a package label, fill out a form, follow a service manual, or write an understandable letter. My personnel officer tried to hire people for some entry-level jobs requiring an eighth grade reading level, and he could find only 20 people in the entire county to fill them." Had our friend, the executive, looked back, he would have found that only 68 percent of southern students who entered the ninth grade in 1980 graduated in 1984. The rate among minority youth was even lower. And, although 29 percent more blacks graduated from high school in the period from the late 70s through the early 80s than ever before, black college enrollment dropped 11 percent. During the same period 38 percent more Hispanics graduated, but their total college enrollment dropped 16 percent.

"Enough," you say? Well, let's start back out of this town of 2000 A.D. As we go, we pass by the public school building, closed as usual by 5:30 p.m. A block-long line of street people waits to get in the shelter for the homeless, and a housing project seems nearly to burst at the seams. Surprised? In 1986 it was estimated by the Wilmington, North Carolina Housing Authority that the night-time population in the Authority projects doubled due to the residents sharing their units with homeless friends and relatives.

We are back in 1986. All the sights along our walk were grounded in current facts and trends. We are only as good as the median of our society—as productive, as efficient, as wealthy, as educated, as useful, or as effective. Our lives and prosperity and even peacefulness are intertwined. We are an interdependent society and economy, and we must acknowledge that six certain groups of citizens in the South, with whom all are interdependent, are now, and will be, more at risk as we plan for the year 2000. These six groups are the poor, blacks, Hispanics, women, elders, and the handicapped.

In developing an overview of the situation for these at-risk groups in the South today, issues examined have included access to such basic needs as jobs, health, and housing; to education, government benefits, job opportunities, political power, resources, and protection; and whether their responsibility for paying taxes and meeting other such obligations is an equitable burden. Position papers from four experts (see appendices) have been considered along with responses from people and organizations who represent the six "at-risk" population groups.

## THE POOR

During the 1960's, poverty in the South dropped from 35 percent to 18 percent of the total population. From 1969 through 1979 the decline slowed abruptly, and during the last five years poverty in the South and the nation has generally been rising. Since 1979 when the rate was 15 percent, Southern poverty has remained above 16 percent and in 1982 was above 18 percent.

In actual numbers the pattern looks even more worrisome. Eight million persons in the South escaped poverty in the 1960s, and there was virtually no change in the numbers of poor over the next ten years. However, from 1979 through 1984, more than 2.5 million persons in the region became poor.

As in the past, blacks and children endure the highest rates of poverty. During the last five years the rate for black Southerners has increased to nearly 35 percent—a rate more than three times the poverty among whites. Based on national data, one out of every five minority children is poor, and every other black child under the age of six lives in poverty. The rates are highest in the South.

Women now constitute the largest segment of the adult population in poverty—60 percent of all poor over the age of 18. The number of women who are the sole support of poor households has almost doubled over the last twenty years. By 1984 three out of every four persons in poverty were women and their children.

In 1984, one out of every twenty families had a total income of less than $5,000. However, more than one in seven black families had an income below this substandard level. Despite an increase in the number of very poor families over the past few years, more than 1.4 million public assistance recipients in the South were removed from four government programs for the poor between 1980 and 1984 due to changes in budgets and regulations (Aid To Families with Dependent Children, Medicaid, food stamps, and Social Security Insurance). Most of the cuts came in the food stamp program, and half of all persons dropped from public assistance were children. In addition,

because of program cuts and inflation, the combined value of both AFDC and food stamps in the South dropped 20 percent from 1980 through 1984.

Public assistance in the region has not reached a majority of the poor, much less the near poor. As late as 1982 none of the six major federal poverty programs provided benefits to even half the poor in the South. Only 44 percent of the poor received food stamps that year in our region; only one in three of the poor was a recipient of Medicaid; and fewer than one in six poor persons received cash payments under AFDC. The vast majority of those families receiving assistance were headed by a single parent or someone over 65 years of age.

While nothing fosters poverty as much as the absence of a job, the South's recent past reaffirms that work does not necessarily reduce poverty. Two recent trends illustrate the point. First, while the region has experienced the growth of poverty in the last five years, it also has maintained a high rate of job growth, usually outpacing most states in the other regions. Second, a relatively low rate of unemployment in some southern locations has coexisted with a high rate of poverty. In Atlanta, for instance, unemployment has been quite low for most of the last ten years especially when compared to other large urban centers. However, in 1980—the last year for a city-by-city comparison—Atlanta had the second highest rate of poverty among cities across the country.

Donald Tomaskovic-Devey, a sociologist at North Carolina State University, argues that we must expand opportunity to lessen poverty and points to some harsh realities in our economic system. "Poverty," he states, "is not exclusively defined in terms of exclusion from the labor force, but also in terms of the pattern of participation. A family of four with two wage earners at or near the minimum wage, working a combined sixty hours a week and fifty weeks a year, will still be below the poverty line." Of course, most poor people work. When the young, old, and disabled are not considered, the nationwide level of working poor among the able-bodied poor in 1984 was 60 percent—a remarkable fact for a population where almost half the poor live in families with one female parent.

Dr. Tomaskovic-Devey contends that the normal functioning of the private economy benefits from the existence of an unemployed labor force as well as the creation of an array of low quality jobs. "First, the unemployed poor provide a reserve labor force to employers. In times of employment expansion the unemployed poor can be drawn into the labor market at low wages. When the economy contracts across the business cycle, these same people are fired. In addition to providing a variable labor force for the contraction and expansion of employment in a locality, the unemployed poor by their presence in a labor market keep the wages of the employed from rising too quickly in periods of economic expansion.

"Let us pretend," he continues, "that tomorrow South Carolina's population will become all white, male, healthy, between the ages of 25 and 45, and have graduated from high school. What would happen to the amount of poverty in South Carolina? It is my contention that, at least in the short run, because the quality and quantity of jobs would be unchanged, poverty would remain. Poverty is a function of the amount of opportunity in a labor market relative to the size of the population...and of the quality of that opportunity." He contends that opportunity is determined by the industrial structure of a locality and the relative power of the labor force—a function of labor market "tightness" and discrimination.

E. T. Kehrer a director of the Southern Area Civil Rights Department, AFL-CIO, gives us two concrete example of Tomaskovic-Devey's last point: "The early years of constructing the Tennessee-Tombigbee Waterway, the largest construction project ever attempted by the U.S. Army Corps of Engineers, were characterized by a virtually all white, non-union work force, and without any affirmative action plans, which at the time were required only on urban projects." Following two years of concerted pressure from community-based organizations and labor organizations (Joint Heavy and Highway Construction Committee, AFL-CIO Civil Rights Department, Southern Regional Council, Minority People's Council on the Tennessee-Tombigbee Waterway, Recruitment and Training Program and the NAACP), the Office of Federal Contract Compliance Programs (OFCCP) imposed a project-wide affirmative action plan with a five year span of goals and timetables. Although the project started 100 percent white, by June, 1983 minority work hours totaled 111,538. With an average wage of $10.00 per hour, the June, 1983 impact on the minority commu-

nity in Mississippi and Alabama was roughly $1,115,380. Much of this could not have been possible without the active role of the OFCCP.

Steve Suitts, Executive Director of the Southern Regional Council concludes that "both the South and the nation are trespassing into an era that endangers the future of many citizens. From the early signs it does not appear as a noble moment in our history nor a generous one. For the first time since the Great Depression we may be witnessing the growth of poverty and the formation of a real underclass of citizens while diminishing the government's efforts to assist the poor. It may also be an era when personal initiative and work become ineffective tools for many poor to escape their condition, when we assign a large and enlarging number of our children to live with poverty, and when the South returns to its worst tradition of ignoring the widening gap between the races.

"Yet, the real peril does not lie in the judgment of history. The South and the nation face actual and rather immediate jeopardy when so large a part of its commonwealth is divided *increasingly* unevenly among its citizens. Beyond the strains that portend the possiblity of social unrest, the losses of productivity and the cost of human neglect cannot be postponed for decades and must be paid by all of society.

"If there is but one region of the country that knows the folly and tragic consequences of mortgaging the future of a large part of its people for the temporary gains of others, it should be the South. Those lessons of the recent past in race relations should be too vivid and painful to permit the current patterns of poverty in the region and nation to continue undisturbed." (See Appendix A for detailed discussion of poverty.)

Suitts recommends four strategic actions at the state and federal levels to reverse the current poverty trends:

1) *Increase the minimum wage*. The minimum wage is far below any decent standard of minimum living for most families. If the minimum wage were increased by action of the federal government or the states, it could remove as many as four and a half million persons in the U.S. (and perhaps more than one million in the South) out of poverty.

2) *Strengthen the enforcement of anti-discrimination laws*. The extraordinary prevalence of poverty among blacks and women is in part a reflection of the missed opportunities in the workplace, often caused by discriminatory hiring and payment practices.

3) *Increase the availability of jobs to all poor adults who can work*. Full employment, at decent wages, is the most sensible way to virtually eliminate poverty. The nation has a number of important needs that should not go unmet, and jobs should be available to carry them out. In many areas, such as caring for the young or old, the talents required for the jobs would not require vast training in the public or private sector. While the task of uniting both national needs and jobs for the poor would be expensive for the government, the costs pale in comparison to the current expenses for the U.S. Defense Department.

4) *Provide child care for both the poor and non-poor*. With so many women and children among the poor, nothing realistic can be done in the private or public arena in reducing poverty without a widespread solution to the lack of affordable child care. Five million poor children are under the age of six and almost six million are grammar school age. The number of single parents among the poor is rising. It makes little sense for the mothers of poor children to take a minimum wage job when they will accordingly spend a fourth of the income on child care. Without affordable child care, the want ads will not (and usually should not) be answered by many poor mothers.

Chenay Costen-Boyce, Executive Director, and Joe Gantt, Associate Director, of the Rural Day Care Association of Northeastern North Caro lina, express concerns that arise from their day-to-day experience with poor people, especially women, seeking work and child care. They generalize from these experiences to some broad recommendations to the Commission:

1) *Myths About Poverty*. "We believe the first step in developing new initiatives to alleviate poverty must begin with putting to rest the myths about poverty. We do not know any poor people who choose to live in poverty or are happy about their poverty. Most poor people we know work and try desperately to provide for their children and themselves. Many of them refuse to accept public assistance because of the oppressive manner in which the services are frequently provided."

2) *Education*. "We believe that the family is the primary educator of children and that poverty and the educational level of many parents adversely affect the educational development of many poor children. Consequently, we feel that the focus in educating poor children should be directed at building partnerships between the home and school."

3) *Jobs*. "While expanded employment opportunites are extremely important to our region, we feel it is important that serious considerations be given to the kinds of jobs created, as well as to who will have control over the jobs. Far too many people, especially women, are already locked into poverty because of low wages, race, sex, and unequal access to economic alternatives. Also, many young people who are college graduates must accept employment inconsistent with their intelligence, training, and personal goals. We recommend:

a. "Poor people should be involved in all levels of economic development planning and policy-making. They are the best resources available for information about their needs, concerns, and ambitions.

b. "The poor must be provided the skills and have ready and equal access to resources needed to develop their own economic enterprises.

c. "Minimum wages should be raised to a level consistent with that required for self-sufficiency."

4) *Child Day Care*. "There is need for a comprehensive day care policy that recognizes that more and more mothers of young children are entering the labor force because of economic necessity. Such a policy would bring the child care needs of workers to the attention of their employers, enlisting their support.

a. "Parents should have the right to choose day care for their children, regardless of who is paying for it.

b. "The state, in its need to regulate, must be careful to avoid an overabundance of bureaucratic red tape that will result in institutionalizing children.

c. "Public and private sectors need to work together to assure that adequate resources are available to meet the child care needs of families.

d. "The economic needs of child care workers must be given the same consideration as other workers, and, because many of them are required to have professional qualifications, they should be paid accordingly."

5) *Equity*. "The most serious threat to the future of poor children is the inequity in funding for public schools. While North Carolina is moving to correct this through the Basic Education Plan, there are no provisions to adjust for past inequities, nor does it take into consideration the varying abilities among localities to support schools. It is imperative that some priority in funding should be given to poor counties based on needs and ability to share the cost of meeting these needs."

## BLACKS

Forty-six percent of the nation's blacks live in the South, where their chance of being poor is two to over three-and-a-half times as great as that of southern whites. In 1984, 35 percent of blacks in the South were poor. Rates ranged from a low of 26.1 percent in Virginia to a high of 44.4 percent in Mississippi, compared with white rates ranging from 8.5 percent in Virginia to 16.4 percent in Kentucky. One has only to look at the fact that in 1984 black family income averaged 56 percent of white family income to comprehend the disproportionate share of poverty borne by blacks. Moreover, this ratio has declined slightly since the early 1970's. Median family income for blacks ranged from a low of $9,013 in Mississippi to a high of $13,219 in Virginia. That *high* was more than $2,000 *lower* than the lowest white median ($15,598 in Arkansas), and over $8,000 lower than the highest white median ($21,383 in Virginia).

### Employment

David H. Swinton, Director of the Southern Center for Growth in Public Policy at Clark College, states that the most important cause of the persisting black-white income inequality is the substantially weaker position of blacks in the labor market. (See Appendix B for detailed information.) They are still disproportionately concentrated in lower paying jobs when they do work, and are more likely to be unemployed than whites.

Specifically, in 1984 in the South, 37.6 percent of employed whites worked in professional, managerial, and sales occupations, compared to only 18.2 percent of employed blacks. On the other hand, 37.7 percent of blacks worked as laborers, service workers, or agricultural workers while only 18.5 percent of southern whites were so employed. Blacks are more likely to work in lower wage industries, and a disproportionate number holding high-level jobs in the South are employed either by small firms or by the public sector.

The disadvantage of low-wage jobs is compounded by significantly lower rates of employment for blacks in the South in comparison to the employment rates of whites. The employment situation of blacks has deteriorated for the past fifteen years. The basic pattern since the early 1970's has been substantial erosion in the absolute and relative employment position of southern blacks during recessions and less than complete rebound in the recovery phase.

Labor force participation rates of blacks and whites have increased, but the participation rates of whites grew faster. Thus, while black participation rates were slightly higher than white participation rates in the early 1970s, white participation rates are now higher than black participation rates. This basic pattern is the result of much more rapid growth for white than for black female participation rates and slower decline for white than for black male participation rates during this period.

The unemployment rates of blacks who do participate are much higher than the unemployment rates of participating whites. In 1984, for example, black unemployment averaged 14.7 percent in the South while white unemployment was only 5.7 percent. Thus, black southerners were over 2.5 times as likely to be unemployed as white southerners. Blacks are also more likely to be employed part-time and part-year when they are employed, and a large proportion of employed black females have jobs in the traditionally lower paying female sectors.

**Education**

Major disparities continue to persist in the educational attainment of blacks and whites. In each state of the region the percentage of whites over 25 years old who had completed a high school education or better exceeded the percentage of blacks by a significant margin, according to the 1980 Census. The proportion of blacks 25 years and over who had completed at least a high school education ranged from a low of 32.7 percent in Mississippi to a high of 57.2 percent in Oklahoma. The percentage of whites over 25 who had completed at least a high school education ranged from 53.3 percent in Kentucky to a high of 69.5 percent in Florida.

But some progress has been made in education attainment. The absolute proportions of blacks attaining at least a high school education are much higher for the younger age groups in all states. School enrollment for blacks 15 to 19 years old generally equaled or exceeded white enrollment in these age groups in 1980. This may provide a basis for cautious optimism about closing the educational gaps. Substantial gaps still exist in the relative proportions completing college, even for younger groups.

**Housing**

According to the 1980 Census, differences in the quality of black and white housing persist throughout the region. Blacks are less likely to own housing than are whites in every state. Racial inequality in home ownership is most extensive in Georgia, Kentucky, and Tennessee where only 67 percent as many blacks as whites own their own houses. Home ownership is most equal in South Carolina where 80 percent as many blacks as whites live in owner occupied housing.

In addition to the fact that blacks are less likely to own their own homes, the houses that they do own generally have a lower average value. The ratios of black to white median housing values ranged from 51 percent to 66 percent. Rental housing occupied by blacks also has lower rental values. Blacks' houses are more likely to lack complete plumbing and also are more overcrowded than housing occupied by whites.

Joan Cates, State Coordinator for the Georgia Housing Coalition, gives us a graphic example of the problems the poor face in securing adequate housing. "A couple of years ago," she states, "I visited a woman and her two children in their home in a small town in southwest Georgia. Her

ramshackle, wood-frame, unpainted house had only one room, one door, no windows, no heating system, and no plumbing. In cold weather, she heated her home with wood in a fireplace that spit smoke back into the room. For water, they used a faucet down the street and hauled buckets back and forth. For toilet facilities they used the field behind the house. This woman worked as a day-worker, cleaning houses, and paid $45 per month to rent her house. The town had some nice-looking modern public housing with manicured lawns just one block away, and we had noticed some vacancies there. We asked the women why didn't she apply to the housing authority for one of the vacant apartments? She said she already had, but they told her she couldn't afford to live in public housing, because she did not have a steady job and make enough money. She was deemed 'too poor to live in public housing.' This family in a small town in Georgia is not unique."

In the face of the dire need for more affordable rental housing, the proportion of multi-family rental housing in Georgia is actually declining. During the decade 1970 to 1980, the total multi-family rental housing stock grew by only eight percent while the total single family house stock grew by 40 percent. There are an estimated 29,000 low-income families on active waiting lists for public housing in Georgia, a large proportion of them black.

The Georgia Housing Coalition calls for each state to utilize whatever federal dollars are available for low-income housing assistance, to look for creative ways to stimulate affordable housing for low-income families, to establish state housing trust funds from a renewable source of revenue (such as real estate transfer taxes) to finance housing construction and rehabilitation, and to put affordable housing opportunities as a top priority on state agendas.

**Political Representation**

Blacks have made considerable progress in equalizing voter registration rates between themselves and whites. Data from the 1984 election show that in eight out of 13 states in the region, at least 95 percent as many eligible blacks as whites were registered. The exceptions were Alabama, Georgia, Florida, Virginia, and North Carolina, the last with the lowest proportion—only 74 percent.

While the proportion of black elected officials of all types has increased over the last decade, only two states in the region have a black representative in Congress. Representation is better in the state legislatures. Counting all types of elected officials, blacks generally have less than one-third as many as would be required commensurate with their share of the voting age population in the SGPB states. As a matter of record, 51 percent (or 2,886) of the 5,654 black elected officials in the U.S. are in the South. For comparison's sake, 20 percent (or 3,417) of the 16,881 state and local female elected officials in the U.S. are Southerners.

**Health and Welfare**

There are other indicators of the extensive racial inequality which pervades the South. Blacks generally have poorer health; infant mortality among blacks is substantially higher than it is among whites in every state of the SGPB region. In some instances infant mortality among blacks is more than two times the white rate, ranging from 17.1 to 22.0 per 1,000 for blacks while the white rates range from 9.8 to 12.4.

Carolyn Vogler, Director and Licensed Midwife at the Delta Maternity Center in Dermott, Arkansas, has developed a program that not only cuts the cost of delivery from $2,000 to $300-400, but more important, has cut premature birth rates from 12 percent to 2.7 percent and toxemia to 0.7 percent. None of the teenagers in the first year's 70 patients gave birth prematurely. The program concentrates on good nutrition, good prenatal care, natural birth, breastfeeding, post-natal care, and family planning. Instituting a successful program, she says, "rests in dispelling physician opposition and obtaining medical backup when required." Licensed midwifery is approved for a six county area in Arkansas.

Blacks also have more disrupted families. The proportion of black families headed by single persons has been increasing and is significantly higher than for white families in every state. Blacks are more involved in criminal activities both as victims and as perpetrators. The South's prisons are disproportionately occupied by blacks.

## HISPANICS

Hispanics are the youngest and fastest growing population group in the nation. In the SGPB states, they are mostly Cubans and Puerto Ricans, and are concentrated in Florida. Many live in segregated neighborhoods, experience a national poverty rate of 28.4 percent (1983), and endure an unemployment rate 40 to 50 percent higher than the national rate.

Julio Barreto, Jr., Director of the Washington office of the National Puerto Rican Forum, says that Miami's renewed vitality is a good indication of what Hispanics can do. He emphasizes many of the same needs for Hispanics and recommendations concerning jobs as is discussed for other minorities: better educational opportunities, and freedom from racism and bigotry. Barreto advises that Hispanics must become more involved in the system, in PTAs, and in local school board elections. School systems need more money and must become more sensitive to the cultural and linguistic needs of the Hispanic community. Furthermore, English literacy programs for both youth and adults ought to be developed.

Regarding economic development strategies, Barreto said Hispanic community-based organizations must be involved in all such efforts, because they are best equipped to address the unique needs of the community. The business sector should initiate joint ventures with Hispanic businesses, removing barriers to venture capital.

The private sector should also acknowledge that Spanish is the primary language of the Hispanic community, and recognize Spanish language skills as a tool in international trade. Finally, businesses should encourage and support Hispanics to attend universities and professional and business schools.

## WOMEN

### Discrimination In The Labor Market

The South shares with the rest of the country a responsibility for equity toward the majority group in its population: women. But women are less well off in the South, because a larger percentage of them are poor and a larger proportion of them are black.

Zenith Nelson, a Head Start Director, is white, female, and a college graduate. Prior to employment with the Rural Day Care Association of Northeastern North Carolina, she worked at a chicken processing plant in the region which employs 2,500 workers, mostly women. She began work on the production line but insisted on being allowed into the management program which was at the time exclusively male. She eventually made it into the management program. When it appeared that she could compete equally with her male counterparts, she was summarily fired. In her current position as Head Start Director, her responsibilities include managing an annual budget of $375,000 and supervising a staff of 18 people.

Maudie Chambers is the executive secretary of the Day Care Association. She is black, married, and the mother of three young children. She is a technical college graduate in secretarial science and lived in New York City for several years, where she worked for a major corporation. When she returned home to North Carolina, the only employment she could find was in a cut and sew factory where pay was minimum wage; benefits and leave time were nonexistent.

It is worth noting that in 1870, when very few women were in the labor market, 97.5 percent of all clerical workers were men, and they earned twice as much as blue-collar workers. Today 80 percent of all clerical workers are women, and their median income is $10,435 a year—considerably less than that of most blue-collar workers.

These vignettes personify the major economic realities—occupational segregation and wage discrimination—that southern women face. It is a simple, though shocking, fact that if wives and female heads of households were paid the same as similarly qualified men, half the families now living in poverty would not be poor. This is doubly so for black women, who live at the disastrous intersection of racial and sexual oppression.

While it is true that women with college degrees earn less on average than men with eighth grade educations, we shall focus on another group—indeed, the majority—who lend a different meaning to the goal of sex equity. These are women without a professional education or occupa-

tion and little hope of acquiring one. These are the women rearing the majority of southern children, who will constitute most of the work force in the year 2000. Seventy-nine percent of them work as secretaries, maids, waitresses, sales clerks, nurses aides, garment workers, and in other predominantly female jobs at the bottom of the occupational hierarchy. Confinement to these traditionally female occupations means that these women, both black and white, will have the lowest earning power of any group in the South. For many women in this situation, sex equity represents the difference between destitution and a modest, but decent, standard of living.

Profound, interrelated changes in the structure of the economy (particularly in the area of employment) and the composition of households are having far-reaching effects on the economic status of women. Each passing year brings an increase in the number and proportion of women in the labor force. If present trends continue through the year 2000, women will comprise fully one-half of the labor force in the rural, as well as the urban, South.

The rapidly rising labor force participation of women, coupled with the related expansion of the female-dominated service sector, has generated a popular impression that "women are getting all the jobs these days." In fact, however, many women who enter the labor force are unsuccessful in their search for employment. With a few periodic exceptions (e.g., the recession of 1981-1982), women's unemployment rates in the South as well as the rest of the nation have remained stubbornly above those of men. For black women in the South, unemployment in the 15-20 percent range has become standard.

Ninty-eight percent of southern secretaries are female, and 30 percent of employed women in the South are clerical workers. Moreover, it is likely that these aggregate figures reveal only a small portion of the segregation that actually exists. Within a broad occupational category like "sales," white men tend to be concentrated in relatively high paying commission sales, white women tend to be sales clerks, and black women (if hired at all) tend to be cashiers. In 1984, women who worked full-time, all year round still earned on the average only 65 cents for every dollar earned by southern men.

The exodus of southern textile and apparel manufacturing has had a profound effect on employment opportunities for women, in particular for rural and black women. Nearly two-thirds of these non-durable manufacturing workers are women, and analyses that conclude that displaced mill workers have been absorbed by the economy are misleading. While the 1984 aggregate unemployment rate in North Carolina was below the national average at 6.7 percent, the rate for women in the state was 8.3 percent, and for black women 17.8 percent.

Barbara Ellen Smith, Director of Research at the Southeast Women's Employment Coalition, states that "the labor market is a fundamental mechanism by which structural inequities are generated and perpetuated in the South. For policymakers and others concerned with creating a more equitable future for southern citizens, the labor market or, more specifically, employment discrimination must command priority attention. The labor market is not blind to race and gender; it consistently and systematically allocates opportunity according to color and sex. Those who seek equity in the South must be similarly consistent and systematic in their actions to overcome these structural inequalities." (See Appendix C for detailed discussion of sex equity.)

**Households Headed by Single Women**

Female-headed families are one of the fastest growing household types in the United States; they are also the fastest growing segment of the poverty population. In 1983 in the South, there were nearly three and one-half million women caring for families on their own, over one-third of whom lived in poverty. Of these 1.25 million poor women, 44 percent lived in nonmetropolitan areas and 59 percent were black.

There are numerous, competing explanations for this "feminization of poverty." One of the most widespread contends that an explosion of teenage pregnancies among blacks is responsible. In fact, however, the number of live births per 1,000 black girls age 15 to 19 years has actually declined since 1970 (from 141 to 97 in 1982). What *has* changed is the tendency for young black mothers to keep their babies and to remain unmarried.

Without minimizing the serious health (as well as financial) consequences of teenage pregnancy, it must be stressed that this problem is only one element in a far more complex and wide-

ranging economic crisis facing the black community. When the official unemployment rate for black youths persistently hovers in the 40-50 percent range, when black women consistently are the most underpaid, under-employed group in the adult population, and when black men shoulder the primary brunt of declining employment in traditional manufacturing (the single most important field of opportunity they found in the years after World War II), then it is clear that the problem of black women and children's poverty far exceeds the phenomenon of teenage pregnancy.

Ms. Smith states that "if sex equity is to be achieved in the South, then the special needs and circumstances of women must be recognized and incorporated into state programs and policy-making. Those needs include quality child care, training in higher wage industrial and technical jobs, equal access to higher wage jobs, equal access to capital, and individual technical assistance for women seeking to start their own businesses. They must have access to the services they provide for others (such as education and health care), and they must own and control a greater portion of service enterprises. They must also receive vocational and technical training in nontraditional jobs, and they must have access to those jobs once trained."

She points out that "the greatest, most direct power that policy makers presently hold over the goal of sex equity lies in their role as employers of women. Eighteen percent of women employed in the South work directly for state and local governments, but they are concentrated almost exclusively in the lowest wage jobs of clerical work, food service, and school teaching. Women are effectively barred from employment in higher wage jobs, and they are underrepresented in higher administrative posts. Policymakers could have an enormous impact on the goal of sex equity by revising the personnel policies that affect their own workers."

## OLDER SOUTHERNERS

The way a culture and its economic system treats its older people is a measure of its own self-respect. With our population's mobility and changing family patterns, the well-being of older Southerners (and the ability of southern states to promote the dignity of older citizens) depends upon the capacity of older people to maintain personal independence. Independent older people, capable of self care in their own homes and communities are a welcome community resource, but older people who lose their capacity for self-support often become dependent upon the local community's public resources.

The South's economic growth has had little impact on older adults who are natives of the South or who have spent their pre-retirement years living and working in the South. Ninety-two percent of older adults in the South get Social Security; 58 percent have some interest income; and only 24 percent have private pensions. Unfortunately the basis of determining retirement income depends on wage and employment patterns that existed before the recent southern revitalization. Agricultural and marginal laborers who comprised a large segment of the southern workforce were not covered by Social Security. As a result, there is a growing income gap between older adults and the southern population as a whole. Over 19 percent of older persons live in families that are below the poverty level, and 28.9 percent are living at 125 percent or less of the poverty level. Social Security contributes only about 40 percent of their income.

The second factor that influences the ability of older people to live independently results from the large influx of older people, mostly from the North to the South. This migration of retired persons to the southern states is greater than to any other part of the nation, placing a great strain on the infrastructure of the region and on the individual states. Unlike those persons who spent their employment years in the South, these migrating older adults may have greater financial retirement resources to purchase what they need to remain independent, but often the resources they need have not been sufficiently developed or are in short supply. When needed resources do exist, their short supply often drives up the relative price, making resources even more difficult and costly to obtain.

Despite the fact that almost a fifth of older Southerners are poor, only 10.1 percent of them receive food stamps and only 10.9 percent receive supplements to income from Supplemental Security Income (SSI). Less than three percent live in public housing, three percent pay no rent, and less than one percent get any other form of housing assistance.

Dr. Andrew Dobelstein, of the University of North Carolina School of Social Work, believes that efforts must be undertaken to ensure that the financial welfare of the South's older adult population is adequate. (See Appendix D for detailed discussion.) This includes supporting national efforts that will maintain current levels of Social Security payments, and initiating state-level income assistance programs where needed. None of the southern states provides across-the-board SSI financial supplementation for older people beyond the federal guaranteed payment. Four provide no supplementation at all. The others provide supplementation for older people who live in medically approved residences. This is literally penny wise and pound foolish. Nursing home care may cost $20,000 to $50,000 per year, and rest homes $8,000 to $10,000 per year. A supplement of $2,000 to $3,000 in SSI payments, however, may help older people maintain their own homes, representing considerable future savings. It is obvious that a system of in-home care services would save money and should be a priority for each southern state. These programs should be adequate to support the 83 percent of older people who presently live in their own homes.

We might well learn from the examples of two North Carolina community-based organizations. The Shepherd's Staff, serving Beaufort, Hyde, and Tyrrell Counties with emergency elderly home care, is in the process of applying for FmHA financing for a small rest home, and plans subsequently to add elderly housing and a nursing home to the small complex. The Roanoke Amaranth Health Group in Ahoskie already operates two small health clinics and is also in the process of applying to FmHA, with the intention of combining elderly housing and a nursing home. This is sound planning for the elderly, as well as sound community economic development.

## THE HANDICAPPED

An estimated 9 to 10 million handicapped people, more than a quarter of the U.S. handicapped population, live in the SGPB region. Although our society has come a long way in terms of sensitivity and providing special care and job training programs, unemployment rates for people with disabilities are approximately twice those for able-bodied people. The rates for disabled blacks are almost three times as great. Experience has shown that disabled people are excellent employees; the biggest problem they face is the perception by others that they are limited.

While the special training needed for handicapped people *is* expensive, the cost of institutionalization is higher still, averaging between $12,000 to $18,000 per year. In the case of a mentally retarded person, it may be as high as $24,000 annually. A substantial portion of the handicapped can be independent, and the U.S. Commission on Civil Rights has stated that eliminating employment discrimination based on disability would return more than $3 for every $1 spent.

But we should not speak only in monetary terms. There now exists a strong moral presumption embodied in laws passed between 1973 and 1977 of an inherent right to equal access and opportunity, as well as the responsibility to contribute something of value to society.

Limited resources impede the ability of handicapped people to fulfill their potential. While national or southern statistics on how many handicapped are served in the Job Training Partnership Act (JTPA) program are not available, there does exist illustrative data from a survey done this year by MDC, Inc., in Chapel Hill, N.C. Twenty of the 35 Service Delivery Areas surveyed in the U.S. were in SGPB states. Handicapped youth average 9.7 percent of all youth participating in JTPA Title II programs. But the range in sites was vast, from 1.7 percent to 53.5 percent. Handicapped adults constituted 8.1 percent of all adults served. A sign of the diminishing resources is evident in the numbers: 8.6 percent, or 78,634, of youth served by CETA in 1982 were handicapped, while 9.7 percent, or only 28,374, of youth served by JTPA in 1984 were.

The proportion of the population that is disabled and the demand for accessible buildings, programs, and services which assist and enable disabled people continue to increase for several reasons. Advances in medical technology improve life expectancies and recovery rates for all types of disability, from those which occur at birth to those which result later through accident or illness, whether mild, severe, or multiple in nature. Other technologies create new training and employ ment opportunities (especially computer-related), better transportation and mobility, assistive devices, and other designs which generally improve the participation of disabled people in all aspects of life.

The South has excellent examples of model programs to aid the handicapped and get them into competitive employment. Columbia, South Carolina has involved the business community in designing and implementing a training project. Florida allocates $4,500 per handicapped student per year to its community colleges and universities to accomodate such students. Kentucky has a home Personal Attendant Care program in three sites in which the participant hires, supervises, and pays his or her own attendant, thus not only allowing a handicapped person to return to work, but providing a job for the attendant. The annual cost is $6,389, compared with $10,440 for institutional care. North Carolina has developed early identification and parental education involvement programs for children with hearing disabilities.

## THE RESPONSIBILITY FOR PAYING FOR GOVERNMENT

This year, the combined federal income and payroll taxes for a family of four with earnings at the poverty line ($10,991) totaled $1,147. This is five times as large a percentage of income as it was six years ago. Because most state taxes are based on federal taxes, the poor carry an even more unequal burden for the support of government than more affluent citizens.

Evelyn Harvey lives in Corapeake, North Carolina. She has two sons and makes $8,950 as lead teacher in the Roduco Day Care Center. She is one of the working near-poor. After all credits, she pays a net federal tax of $390 and a state tax of $52. Evelyn is 27 years old and has a college degree. She describes Roduco as a town of about 1,200 people, many of whose inhabitants make about $8,000 a year. Some have neither running water nor enough clothes to avoid washing them every night.

The Coalition of Block Grants and Human Needs, which told us about Evelyn, states that the share of federal revenues contributed by corporations has declined from 32 percent in 1952, to 23 percent in 1960, to eight percent in 1985. But the problems of equity in taxation are compounded by the problems of equity in spending. Jean Patterson Boone at the Children's Defense Fund states that America ranks first in the world in spending for military defense and seventeenth in keeping our infants alive in the first years of life. It's a matter of choices. "For example," she says, "the President and Congress can choose whether to spend one million dollars annually to subsidize the Pentagon's four executive dining rooms or to buy 800,000 school lunches for poor children." These national choices, in which Southerners have a say, affect the South more than they affect much of the rest of the nation, because we are home to the greatest percentage of people at risk.

## COMMUNITY THINKING ON EQUITABLE ECONOMIC DEVELOPMENT

Carter Garber, Executive Director of Southern Neighborhoods Network in Tennessee, representing urban and rural residents who have formed groups for community economic improvement, calls for southern officials to change their orientation from economic "growth" to economic "development." "Development," he says, "encourages local initiative and mobilizes local human and financial resources, is planned and controlled from within a community, and seeks to nurture community institutions and enterprises rather than exclusively subsidizing enterprises whose ownership and decision-making comes from outside the area."

He suggests six key elements that he believes southern governments must incorporate in order to ensure that they are using their resources to foster internal development with increasing equity:

1) Target the economic development efforts to specific population groups and economic sectors, such as South Carolina is beginning to do, and as Arkansas has done, in responding creatively and quickly to plant closings.

2) Use a community economic development (CED) approach, as Florida has done, where local groups, with state support, have an impressive track record of mobilizing local resources and combining them with private and public resources to make an economic impact. He emphasizes that CED funding must be supplemented with technical assistance, low interest loans, and seed capital for start-up funds.

3) Involve the public in economic decision-making. Garber decries both the lack of public input and the lack of accountability of southern economic development agencies. This is one of the few

areas of American governmental life where consent of the governed is not even an expectation. He cites Kentucky's recent involvement of 1,200 citizens in statewide planning as an exception.

4) Avoid the numerous fads which are a part of the economic development world. He cites governments' penchant for quick growth—branch plants, military facilities, high tech companies, enterprise zones—rather than following the longer route of internal development.

5) Build local capacity as a part of economic development projects. For example, upgrade the capacity of minority contractors in road-building projects with minority set-asides.

6) Use citizens to help develop useful criteria to guide the development process. He points to Birmingham, Alabama where three community groups recommended criteria which the city adopted in 1985. The primary criteria are that the projects are labor intensive; provide permanent employment above minimum wage; give preferential hiring to existing workers in the case of a plant closing or ownership transfer; and match jobs to existing skills of the labor force or provide training. The secondary criteria give priority to subsidize projects that hire the long-term unemployed or underemployed; that provide some form of collective community gain; that give first-hiring preference to residents of the community or the city; that are locally owned and managed; and that involve minority ownership and management.

## OVERALL GUIDELINES TO INCREASE EQUITY

This paper has provided the recommendations of community groups and the people most at risk, and examples of model programs that are working successfully for these people. There *are* good model programs all across the South and the rest of the country. The trouble is that they are just that—models. They have not been institutionalized. We have not learned about them. We have not conquered the fears of change. We have not worked to modify the habits and customs of those dependable institutions that are the backbones of our stable society—schools, business, government. We have not realistically faced the great challenge of changing our usual way of doing business.

However, some general guidelines do arise from the testimony and specific recommendations:

1) Dispel the myths about the poor and minorities and other groups near the edge of mere subsistence. Recognize their dignity and strengths, and let them put those strengths to work.

2) Educate the public to be aware of the interdependence of society, and to recognize that we can develop in a healthy way only if we develop in an equitable way.

3) Involve community based organizations in planning and policy development. They have had years of experience both with poverty and with programs that work.

4) Coordinate planning in state and local government; involve all relevant departments under strong gubernatorial leadership and commitment. Include the private sector as a partner. Develop personal interaction between departments, between levels of government, between staffs as well as managers, and with representatives of community based organizations.

5) Find out what works; learn from other states. Adapt models to local needs and resources. Require a local buy-in matched by state targeted assistance. Gradually build the models into the systems, whether in education, economic development, social service, health improvement, transportation, or environmental protection.

6) Develop innovative ways to use existing resources. Don't hesitate to work for changes in regulations, waivers for demonstration projects, and changes in laws governing resources.

7) Be positive and creative, rather than punitive. There are highly successful models of on-the-job training for AFDC recipients using a combination of the transfer payment and private industry wage to pay a decent wage during training, after which a large percentage of the trainees are hired. Medicaid, subsidized day care, and transportation, if needed, are continued during the training. In other models, UI is not cut off while the person is being retrained, or UI is given in a lump sum with state technical assistance for small business development or relocation. Banks and other investors need to work more closely with state and university small business development centers to provide low-interest loans and seed money for community-based economic development organizations and individual entrepreneurs, following the example of the Local Initiatives Support Corporation's work in Eastern North Carolina and other parts of the South and nation.

8) Act rather than react. For example, as school scores improve with the emphasis on excellence in education, it is likely that, without compensatory and remedial education, the dropout rates of poor and minorities will rise. We need to remember that it costs $3,000 to have a student repeat a grade, but only $500 for compensatory education before that student gets into academic trouble.

I commend this testimony of our fellow Southerners to your serious consideration. Over and over again, they say: "Give us jobs in quantity and in higher quality, not discriminatory access to those jobs. Give us child care so that we can work, training and education so we can qualify. Give us adequate transportation that we might get to work safely. And give us access to capital and technical assistance so that we can help create and control some of these jobs. Give us these things, and we'll do the rest."

Appendix A

# POVERTY IN THE SOUTH

A position paper prepared for the
Commission on the Future of the South
Southern Growth Policies Board

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## THE OLD AND NEW

While poverty in the South is as old as the first slave, the patterns of poverty have taken a radical shift over the last several years, showing old and new faces in distress. During the 1960s poverty in the South* dropped from 35 percent to 18 percent of the total population. From 1969 through 1979 the decline slowed abruptedly, and during the last five years poverty in the South and nation has generally been rising. Since 1979 when the rate was 15 percent, southern poverty has remained above 16 percent and in 1982 was above 18 percent.

In actual numbers the pattern looks even more worrisome. Eight million persons in the South escaped poverty in the 1960s; there was virtually no change in the numbers of poor over the next ten years, but from 1979 through 1984 more than 2.5 million persons had become poor in the region.

As in the past, blacks and children endure the highest rates of poverty. During the last five years the rate for black Southerners has increased to nearly 35 percent—a rate more than three times the poverty among whites. Based on national data (the only available current reports), one child out of every five of any color is poor and every other black child under the age of six lives in poverty. The rates are probably higher in the South.

Women now constitute the largest segment of the adult population in poverty—60 percent of all poor over the age of 18. The number of women heading households alone in poverty has almost doubled over the last twenty years. By 1984 three out of every four persons in poverty were women and their children.

The most recent Census data also provide another meaningful national standard for understanding the widening gap among Southerners. In 1984, one out of every twenty families had a total income of less than $5,000 and more than one in seven black families had an income below this substandard level. In the last four years these groups of very poor families have been larger than at any other time during the fifteen years in which such comparisons have been made. By whatever measure, poverty in the South and nation has been increasing during recent years, for the first time since the start of keeping statistics on the poor.

## PUBLIC ASSISTANCE AND THE SOUTH'S POOR

The increase in the South's poor during the 1980s has not been matched with an expansion of public assistance. Quite the contrary, from 1980 through 1984 more than 1.4 million recipients in the South were removed from four government programs for the poor due to changes in budgets and regulations. (The programs examined were food stamps, Aid to Families with Dependent Children, Medicaid, and Social Security Supplemental Income.) Most of the cuts came in the food stamp program, and half of all persons dropped from public assistance were children.

In addition to a reduction in the number of recipients, the benefits for those remaining on the programs were substantially devalued. After computing the cuts in program benefits and the effects of inflation, the combined value of both AFDC and food stamps in the South dropped 20 percent from 1980 through 1984. In other words, the recipients of these two programs had in 1984 four-fifths of the capability to buy food, clothing, and shelter that they had in 1980. And, the level of benefits was not very generous in 1980. The total value of both food stamps and AFDC that year was on average less than four hundred dollars per month for a family of four in the South.

The Census figures belie any suggestion that these cuts were an effort to restrict benefits only to the needy. Historically, public assistance in the region has not reached a majority of the poor, much less most of the near poor, and as late as 1982 none of the six major federal poverty programs (food stamps, AFDC, free lunches, public/subsidized housing, Medicaid, and Medicare) provided benefits to even half the poor in the Census South. Only 44 percent of the poor received food stamps that year in our region; only one in three of the poor was a recipient of Medicaid: and fewer than one in six poor persons received cash payments under AFDC. The vast majority of

* The primary data for this paper comes from the U.S. Bureau of the Census which regrettably defines the South like a Yankee sailor. Because no state data are available on most aspects of poverty since 1980, the only choice for a current analysis is to use at times the Census South as a rough match for the southern states that are members of the Southern Growth Policies Board.

those families receiving assistance were headed by a single parent or someone over 65 years of age.

The job programs for the poor were virtually eliminated between 1980 and 1984 at the federal level. The Comprehensive Employment and Training Act was dismantled completed by 1982 and the remaining, isolated training programs involve relatively few poor persons.

In short, at a time when poverty has been increasing in the South, the assistance to the poor has been reduced and the numbers receiving aid from the government has been cut.

## POVERTY AMID ECONOMIC GROWTH

While nothing fosters poverty as much as the absence of a job, the South's recent past reaffirms that work has not necessarily reduced poverty. Two comparisons in the last several years illustrate the point. First, as the region has experienced the growth of poverty in the last five years, it also has maintained a high rate of job growth, usually outpacing most states in the other regions of the union. Second, a relatively low rate of unemployment in some southern locations has co-existed with a high rate of poverty. In Atlanta, for instance, unemployment has been quite low for most of the last ten years, especially when compared to other large urban centers. However, in 1980, the last year for a city-by-city comparison, Atlanta had the second highest rate of poverty among cities across the country.

The simple fact is that a significant part of the poor population are workers whose full or part time wages leave them below the poverty line. Nationwide, 40 percent of all the poor persons over 14 years of age held some job in 1984. When the young, old, and disabled are not considered, the level of working poor among the able-bodied increases to 60 percent—a remarkable fact for a population where almost half the poor live in families with one female parent. One out of seven of these workers held full time jobs in 1984, and in the South the numbers were probably higher. Their jobs simply paid them too little to escape poverty through work. Another indicator makes a similar point. Almost half the persons heading a poor household in 1984 had a high school diploma, and one out of six had attended one or more years of college. Work and initiative are not preventing families from living in poverty.

## THE FUTURE AND THE POOR

Both the South and the nation are trespassing into an era that endangers the future of many citizens. From the early signs it does not appear as a noble moment in our history nor a generous one. For the first time since the Great Depression we may be witnessing the growth of poverty and the formation of a real underclass of citizens while diminishing the government's efforts to assist the poor. It may also be an era when personal initiative and work become ineffective tools for many poor to escape their condition, when we assign a large and growing number of our children to live with poverty, and when the South returns to its worst tradition of ignoring the widening gap between the races.

Yet, the real peril does not lie in the judgment of history. The South and the nation face actual and rather immediate jeopardy when so large a part of its commonwealth is divided *increasingly* unevenly among its citizens. Beyond the strains that portend the possibility of social unrest, the losses of productivity and the cost of human neglect can not be postponed for decades and must be paid by all of society.

If there is but one region of the country that knows the folly and tragic consequences of mortgaging the future of a large part of its people for the temporary gains of others it should be the South. Those lessons of the recent past in race relations should be too vivid and painful to permit the current patterns of poverty in the region and nation to continue undisturbed.

At both the state and federal levels of government some strategic actions can be undertaken to reverse the current trends. A few of the most important that recognize the old and new patterns of poverty follow:

1) *Increasing the minimum wage*: Today the head of a family of three persons earning the federal minimum wage makes less than $7,000 each year working full time. This income is $1,300 below the threshold of poverty. Obviously, the minimum wage is in reality far below any decent standard of minimum living for most families. If in fact the minimum wage was increased by action

of the federal government or the states, it could remove as many as four and a half million persons in the U.S. and perhaps more than one million in the South out of poverty. While this floor on wages has been ignored in the last few years (it remains at $3.35 per hour), it is a vital anti-poverty measure that could do more than any other single, simple act in reducing poverty.

2) *The enforcement of anti-discriminiation laws must be strengthened*: The extraordinary prevalence of poverty among blacks and women is in part a reflection of the missed opportunities in the workplace, still caused at times by discriminatory hiring practices. Fair employment practices for minorities and women will also mean a reduction in poverty. Anti-discrimination laws are anti-poverty laws that should be enforced with renewed vigor.

3) *Jobs should be available to all poor adults who can work*: Full employment, at decent wages, is the most sensible way of virtually eliminating poverty. Because the notion has been observed mostly in the breach and in vain rhetoric it has become a hackneyed phrase. But the concept is worthy of a rebuilt reputation. The nation has several important needs that should not go unmet and jobs should be available to carry them out. In many areas such as caring for the young or old, the talents required for the jobs would not require vast training in the public or private sector. While the task of uniting both the national needs and jobs for the poor would be expensive for the government, its costs pale in comparison to the current expenses for the U. S. Defense Department. In the late 1950s the nation recognized that loans and scholarships to the young were as important as anything else in providing for the national defense, and Southerners led the way in establishing those programs. Today jobs with decent wages for our citizens should be no less a priority.

4) *Child care is a crisis for both the poor and non-poor*: With so very many women and children among the poor, nothing realistic can be done in the private or public arena in reducing poverty without a widespread solution to the problem of no affordable child care. Five million poor children are under the age of six, and almost six million are of grammar school age. The number of single parents among the poor is rising. It makes no practical sense for the mothers of these poor children to take minimum wage jobs only to spend a fourth of the income on child care or to legally neglect their children. Without child care affordable to a mother working for minimum wage, the want ads will not and usually should not be answered by many poor mothers.

Of course, these are not the only changes that could reverse the current trends. They are, however, a good representation and could go a long way in barring the damage which poverty causes. With these or other new policies, the South and the nation must summon the intelligent will and the resources to arrest the current trends of poverty or else we shall abandon both our collective conscience and a future of goodwill and good fortune for all.

Appendix B

# THE SOCIO-ECONOMIC STATUS OF BLACKS

A Position Paper Prepared for the
Commission on the Future of the South
Southern Growth Policies Board

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## RACIAL INEQUALITY PERSISTS THROUGHOUT THE REGION

The South continues to be home for a large percentage of the nations's black population. In 1984, 12,479,835 or 46.4 percent of the entire black population lived in the South. In contrast, only 29.7 percent of the nation's population resided in the South. Blacks constituted 18.4 percent of the South's population but only 9.0 percent of the population in the non-South. In the individual states which make up the Southern Growth Policies Board region, the black population range from a low of only about 7 percent of the state's population in Oklahoma and Kentucky to a high of over 35 percent in Mississippi. Five of the thirteen states in the region have black populations of over 25 percent, four have black populations between 7 and 15 percent.

Despite the economic and social progress made in the South during the last couple of decades, racial inequality, as measured by a variety of socioeconomic indicators, persists at very high levels. In fact, there has been at most minimal improvement during the past ten to fifteen years, and in some respects the economic status of the black population of the region has deteriorated. Finding effective strategies to reduce the persistent racial inequality in the region is a matter that deserves the serious attention of all who are concerned about the future of the region. A brief review of some of the more important socioeconomic indicators for the South will illustrate the dimensions of racial inequality in the region.

### Low and Unequal Incomes Persist Throughout The Region

The average incomes of blacks in the region are considerably lower than the average incomes of white citizens. In 1984, the family incomes of the black population in the Census South averaged about 56 percent of the family incomes of whites. Black family incomes in the South were lower, in both absolute and relative terms, than they were in every other region except the Midwest. Moreover, the ratio of black to white family income in the South has declined slightly since the early 1970s.

The pattern of low incomes is repeated in every state in the region, according to the 1980 Census. Median black family income ranged from a low of $9,013 in Mississippi to a high of $13,219 in Virginia. Black families had median incomes of about $9,000 in two states, between $10,000 and $10,999 in four states, between $11,000 and $11,700 in five states and between $13,000 and $13,250 in two states. Racial inequality was marked in all of the states. The median incomes of white families ranged from a low of $15,598 in Arkansas to a high of $21,383 in Virginia. The ratio of black to white family income ranged from a low of 50 percent in Louisiana to a high of 66 percent in Kentucky. In general inequality was less in the places which had slightly higher black incomes and greatest in the places which had the lowest black incomes. Income inequality also tended to be greatest in the deep South states and the states with the largest percentages of blacks.

### High Rates of Black Poverty Also Persist

The low incomes of southern blacks is reflected in the high percentage who are poor as measured by the official poverty rate. The poverty rate of blacks in the Census South was about 35 percent in 1984. This rate had improved since the early 1970s but was nonetheless still high by national norms and in comparison to white poverty rates.

In 1980, black poverty rates were high in every state of the region. The lowest rates were in Virginia and Texas where about 26.1 and 27.6 percent of black families had poverty level income respectively. The highest rates of poverty were in Mississippi and Arkansas, 44.4 and 42.7 percent respectively. The highest rates of poverty were generally in the states with the lowest incomes and greatest racial inequality. In contrast to blacks, southern white families had poverty rates ranging from 8.5 percent in Virginia to 16.4 percent in Kentucky. Blacks were at least twice as likely as whites to be poor in every state of the SGPB region. There were four states in which blacks were more than three and one-half times, four in which blacks were between three and three and one-half times, three states in which they were between two and one-half and three times, and two states in which they were between two and two and one-half times more likely to be poor than whites.

### Low Incomes and High Rates of Poverty Reflect Underlying Economic Inequality

The lower incomes and higher poverty rates of blacks reflect the persistence of substantial inequality in all aspects of economic life in the South. Blacks are substantially less wealthy than whites, own only a miniscule share of southern businesses, and own significantly fewer and less valuable pensions. A higher percentage of blacks than whites receive welfare and related transfers in every state of the region. The states of the SGPB region almost universally pay very low average stipends to welfare recipients. However, the most important cause of the persisting black/white income inequality is the substantially weaker position of blacks in the labor market.

Blacks receive substantially less earnings than whites from working. There are two primary reasons for this. First, blacks are still disproportionately concentrated in the lower paying jobs when they do work. Second, blacks are more likely to be not working than whites. These two aspects of persisting inequality in southern labor markets account for most of the lower earnings of blacks.

### Blacks Continue To Be Concentrated In Less Desirable Jobs

The black concentration in lower status jobs is revealed by their occupational distribution. In 1984, in the Census South, blacks were under represented in all of the higher-paying and higher-prestige occupations. Specifically, 37.6 percent of employed whites worked in professional, managerial, and sales occupations while only 18.2 percent of employed blacks did. On the other hand, 37.7 percent of blacks worked as laborers, service workers, or agricultural workers while only 18.5 percent of southern whites were so employed. There was modest improvement in the occupational distribution of employed southern black workers during the 1970s. However, the progressive trend has ceased and the occupational distribution of employed blacks in the South is not only worse than the occupational distribution of southern whites but is still substantially worse than the occupational distribution of employed blacks in the rest of the country.

Moreover, it is also the case that blacks are more likely to work for lower wage companies and industries. Thus, their jobs are probably even more disadvantageous than their occupational distribution suggests. One indication of this is found in the fact that the occupational distribution of blacks employed in private industries which report to the EEOC is significantly worse than is the occupational distribution of employed blacks in general. For example, in 1981, all employed blacks in the Census South were 63 percent as likely as whites to hold professional or technical jobs and 31 percent as likely to hold managerial jobs while blacks employed by EEOC-reporting firms were only about 38 percent as likely as whites to hold professional or technical jobs and 23 percent as likely to hold managerial jobs. Obviously, a disproportionate number of the blacks holding high-level jobs in the South are employed either by small firms or by the public sector.

### Blacks Experience Exceptionally High Rates of Unemployment

The disadvantage of bad jobs is compounded by significantly lower rates of employment for blacks in the South in comparison to the employment rates of whites. The employment situation of blacks has deteriorated for the past fifteen years or so. Since the early 1970s, there has been substantial erosion in the absolute and relative employment position of southern blacks during recessions and less than complete rebound during recovery. This pattern has also been exhibited in the rest of the country and in some regions the labor market decline for blacks has been much sharper than in the South.

Three indicators reveal the deterioration in the employment position of southern blacks. First, in the Census South as a whole the labor force participation rate has fallen in a relative sense. The participation rates of blacks and whites have increased. However, the participation rates of whites grew faster. Thus while black participation rates were slightly higher than white participation rates in the early 1970s, white participation rates are now higher than black participation rates. This basic pattern is the result of much more rapid growth for white than for black female participation rates and slower decline for white than for black male participation rates during this period.

Second, the unemployment rates of blacks who do participate are much higher than the unemployment rates of participating whites. In 1984, for example, black unemployment averaged 14.7 percent in the census South while white unemployment was only 5.7 percent. Thus black South-

erners were more than 2.57 times as likely to be unemployed as white Southerners. The net result of the lower participation rates and the higher unemployment rates is that blacks are less likely to be employed. This is reflected in the third indicator. In 1984 the proportion of working age blacks who were employed was only 54.1 percent in comparison to 60.4 percent of whites. The gaps in black and white employment proportions are even higher during recessions.

The lower employment rates for southern blacks exist in every state in the SGPB region. Indeed the absolute and relative employment situation of blacks is much worse in several states. In 1984, black labor force participation rates were higher than white participation rates in three states—Florida, Alabama, and Texas. In all other states in the SGPB region except Arkansas, black participation rate was at least 91 percent of the white participation rate. In Arkansas only 84 percent as many blacks participated in the labor force. The high relative participation of blacks in Florida probably reflects the large retired population among white Floridians.

The relative equality in participation rates, however, are not reflected in equal unemployment rates. Unemployment rates of blacks in the South are high by any measure. In 1984, for example, black unemployment rates were over 20 percent in Mississippi, Tennessee, Kentucky, and Alabama. The rate was also extraordinarily high in Kentucky and Louisiana at 17.8 and 16.5 percent respectively. The lowest rates were registered in Virginia, South Carolina, and Georgia at 11.1, 11.2, and 11.3 percent, respectively. On the other hand, the highest unemployment rate for white workers was only 8.7 percent in Kentucky. Four states out of 12 had white unemployment rates of less than five percent. The extensiveness of the racial inequality is reflected in the fact that the unemployment rates of blacks were more than twice as high as the unemployment rates of whites in every state in the region in 1984. In fact, there were four states in which black unemployment rates were more than three times higher than white unemployment rates. Black unemployment rates were more than two and one half times white unemployment rates in nine of the twelve states.

The net consequence of the slight inequality in participation rates and the extensive inequality in unemployment rates is relatively large differences in employment proportions. The black employment proportion ranged from a low of 38.6 percent of the working age population in Arkansas to a high of 60.8 percent in Texas. The white employment population ratio ranged from a low of 55.4 percent in Florida to a high of 66.2 percent in Virginia. The proportion of blacks employed is higher than the proportion of whites employed only in Florida where blacks participate at substantially higher proportions. In Florida 56.6 percent of blacks were employed versus 55.4 percent of whites despite the fact that the black unemployment rate of 14.0 percent was almost three times the white rate of 4.8 percent. In the other states the proportion of blacks employed ranged from 67 percent to 94 percent of the proportion of whites employed.

In addition to the overall disadvantage of blacks, they also are probably more likely to be employed part-time and part-year when they are employed. Moreover, it also seems likely that a larger proportion of employed blacks are females who have jobs in the traditionally lower-paying female sectors. Thus the disadvantages are greater than indicated by the above discussion. These extensive labor market disadvantages are a principal cause of the substantially lower economic status of blacks.

## OTHER DIMENSIONS OF SOCIOECONOMIC STATUS

### Education

Large disparities continue to persist between the education possessed by blacks and whites. However, in terms of years of school completed, progress has been made in the last several years. Nonetheless, in each state of the region the percentage of whites over 25 years old who had completed a high school education or better exceeded the percentage of blacks by a significant margin according to the 1980 Census. The ratio of the proportion of blacks 25 years and over who had completed at least a high school education ranged from a low of 32.7 percent in Mississippi to a high of 57.2 percent in Oklahoma. The percentage of whites over 25 who had completed at least a high school education ranged from 53.3 percent in Kentucky to a high of 69.5 percent in Flordia. The ratio of black to white proportions completing at least a high school education range from only 51 percent in Mississippi to 93 percent in Kentucky. The greatest edu-

cational gaps exist in the deep South states of Mississippi, Arkansas, Louisiana, Flordia, South Carolina, Alabama, and Georgia, in that order. The black to white educational ratio is between 62 and 69 percent in all of these states except for Mississippi. The states with greatest educational parity by this measure are Kentucky, Oklahoma, Texas, Tennessee, and North Carolina in that order.

The fact that progress has been made in educational attainment is revealed by the fact that the absolute proportions of blacks attaining at least a high school education are much higher for the younger age groups in all states. The ratio of the proportion of blacks to whites between ages 20 and 24 completing at least four years of high school is over 90 percent in nine of 12 states and over 83 percent in the other three states. Gaps still exist in the proportions completing college, even for younger groups, however. We might also note that there is still substantial evidence that blacks attain a lower quality of education at each level of school completed. Thus there is a significant need to improve the quality of black education and to increase the proportion completing college. The fact that school enrollment for blacks 15 to 19 years old generally equaled or exceeded white enrollment in these age groups in 1980 may provide a basis for cautious optimism about closing the educational gaps.

**Housing**

According to the 1980 Census, differences in the quality of black and white housing persist throughout the region. These differences are roughly what would be expected in light of the lower economic status of blacks. Blacks are less likely than whites to own housing in every state. Racial inequality in home ownership is most extensive in Georgia, Kentucky, and Tennessee where only 67 percent as many blacks as whites own their own houses. House ownership is most equal in South Carolina where 80 percent as many blacks as whites live in owner occupied housing.

In addition to the fact that blacks are less likely to own their own homes, the houses that they do own generally have a lower average value. The value of black owner-occupied housing ranged from a low of $16,900 in Arkansas to a high of $29,600 in Virginia. The ratios of black to white median housing values ranged from 51 percent to 66 percent.

The rental housing occupied by blacks also have lower rental values. The median contract rent for renter occupied housing ranged form $68 to $163 for blacks and from $140 to $226 for whites. Thus blacks occupy rental housing that has a contract rent that is from 44 percent to 78 percent as much as whites. To the extent that contract rent reflects the true housing value, then blacks clearly occupy an inferior housing stock.

Other indicators of the lower quality of black-occupied housing is found in the fact that black houses are more likely to lack complete plumbing and are also more overcrowded than is housing occupied by whites. In 1980 the median number of persons per room was generally from 10 to 31 percent higher for blacks than for whites in most states in the SGPB region. Only in Kentucky was the median number of persons per room almost equal for blacks and whites. Black overcrowding was highest in Florida, South Carolina, and Mississippi in that order. Besides Kentucky, black relative overcrowding was least in Oklahoma, Texas, and Tennessee. In 1985 most occupied housing had complete plumbing. However, except for Kentucky, blacks are more likely to live in housing without plumbing than whites. Racial inequality in complete plumbing is highest in Mississippi, South Carolina, and Arkansas. Racial inequality is least in North Carolina, Tennessee, and Oklahoma.

Housing disparities obviously continue to persist. The census numbers do not, however, adequately describe the well known dilapidation and widespread slum conditions that continue to persist in many black communities. Taking this into account suggests that unequal housing conditions require attention. However, this problem is a consequence of the low economic status of blacks and would likely be helped by improvement in black income and poverty rates.

**Black Political Participation**

Data from the 1984 elections suggest that considerable progress has been made in most of the states of the SGPB region in equalizing black and white registration rates. In eight out of thirteen states in the region, at least 95 percent as many eligible blacks are registered as whites. The

exceptions are Alabama, Georgia, Florida, North Carolina, and Virginia. North Carolina is the worst state with only 74 percent as large a proportion of blacks registered. Only in Louisiana is as high a proportion of voting-age blacks as whites registered. However, in four other states, South Carolina, Tennessee, Mississippi, and Kentucky, 99 percent as many eligible blacks as whites are registered.

Although the proportion of black elected officials of all types have increased over the last decade, blacks are still a long way from parity. There are only two states in the region that have one black in the U.S. Congress. If blacks had representational parity, we would expect about 29 of the U.S. Congress' 159 members to be black. Black representation in the state legislatures is better, especially among representatives. Nonetheless, even in this instance blacks are significantly under represented in every state legislature. Black representation among southern mayors and on municipal governing boards is also well below parity. Counting all types of elected officials, blacks generally have less than one-third as many elected officials than would be required for parity with their share of the voting age population in every SGPB state. It is particularly distressing that although over 46 percent of all blacks live in the SGPB region only about 10 percent of the blacks in the U.S. Congress are from the region. Clearly, blacks have a long way to go to achieve political parity in the region.

### Other Factors

We could continue to cite other indicators of the extensive racial inequality which grips the South. Blacks are, on average, in poorer health. For example, infant mortality among blacks is substantially higher than it is among whites in every state of the SGPB region. In some instances, the black infant mortality rate is more than two times the white infant mortality rate. Black infant mortality rates range from 17.1 to 22.0 in every state while white infant mortality rates range from 9.8 to 12.4. Blacks also have more disrupted families. The proportion of black families headed by single persons has been increasing and is significantly higher than the white proportion in every state. Blacks are more involved in criminal activities both as victims and as perpetrators. The South's prisons are disproportionatley occupied by blacks in every state. In short, by all of the standard indicators, racial inequality in the SGPB region remains too high.

## CONCLUSION

The review of evidence suggests that racial inequality remains high in the SGPB region. Moreover, the trends suggest that racial inequality has not been abating and in some instances has been increasing. This problem requires attention in each state of the region even though some states are doing better than others. However, even the best states are a long way from attaining racial parity.

We would also suggest that without some specific actions racial inequality will probably worsen in the next few years. This is especially likely to be the outcome if national and regional economic conditions do not improve. A number of trends suggest persistence and even worsening of racial inequality as the likely outcome. The changes in federal level policy on civil rights enforcement and poverty programs will have a detrimental impact. The continuing structural shifts in the economy also do not bode well. The increasing pressure to upgrade standards in public education may also have a negative impact if they are not implemented with care and sensitivity. In short, explicit account must be taken of extensive racial inequality if there is to be any hope of making significant progress in improving the situation in the SGPB region.

Appendix C

# SEX EQUITY IN THE SOUTH

A Position Paper Prepared for the
Commission on the Future of the South
Southern Growth Policies Board

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## INTRODUCTION

Inequality in the South has long been framed as a racial issue, as the problematic relationship between blacks and whites. Far less recognized yet deeply connected to racial inequality is the problematic relationship between women and men. Racial and sexual inequality find support from the same types of arguments: biological determinism, divine ordination, and the catastrophic consequences that supposely would attend equality. Both have similar economic manifestations: segregation into lower wage jobs, reduced earning power, a heavy burden of unemployment, underemployment, and poverty. And both assume human form in a group of Southerners with the highest poverty rate in the region: black women, who live at the disastrous intersection of racial and sexual oppression.

In contrast to the civil rights movement, with its distinctly southern roots and character, the recent movement for women's equality arose largely in the urban North. The origins and constituency of the women's movement—white, middle class, college-educated, professional—have left their imprint on the prevailing understanding of sex equity. This goal has been conceived as the right of well-qualified women to enter predominantly male professions and businesses and to receive just and equitable treatment (including equal pay for equal work and earned promotions) while on the job. The problem of sexual inequality, especially in the economic arena, has been defined as sexist attitudes and employment practices on the part of a male, "old boy" hierarchy, which bars women from upper-level management and professional opportunities. The result is that women with college degrees earn less on average than men with eighth grade educations.1 To the extent that southern employers and policymakers have recognized sex equity as a relevant and legitimate goal, it has been largely within the framework of this prevailing definition. Attention has focused on educated, professional women, and on the discrimination they experience in the fields of business, law, academia, etc.

But there is another group of southern women—indeed, the majority of southern women—who lend a different meaning to the goal of sex equity. These are women without a professional education or occupation and with little hope of acquiring one. They are women who work as secretaries, maids, waitresses, sales clerks, nurses aides, and in other predominantly female jobs at the bottom of the occupational hierarchy. Confinement to these traditionally female occupations grants these women, both black and white, the lowest earning power of any group in the South. For many women in this situation, sex equity does not promise expanded professional or business opportunities; it represents the difference between destitution and a modest, but decent, standard of living. As the population of women most at risk, this group of non-professional women—many of whom are rural, many of whom are black, and most of whom are poor—will be the focus of this paper.

Although low-income women experience sexual inequality throughout our social and political institutions, it is ultimately in the economic arena that the basic quality of their lives, their access to the resources requisite for survival, is determined. For women who of necessity must work for wages, economic status is a function of two overriding factors: the quality of their employment opportunities and the nature of their financial responsibilities, especially with regard to children and other family members. Profound and, to some extent, interrelated changes in the structure of the economy (particularly in the area of employment) and the composition of households are having far-reaching effects on the economic status of women. These two areas are treated in greater detail below.

## EMPLOYMENT

Each passing year brings an increase in the number and proportion of women in the labor force. These new wage earners defy categorization; they are black and white, urban and rural, farm wives and housewives, teenagers and elders. If present trends continue, by the year 2000, women will comprise fully one-half of the labor force in the rural as well as the urban South.

The rapidly rising labor force participation of women, coupled with the related expansion of the female-dominated service sector, has generated a popular impression that "women are getting all the jobs these days." In fact, however, many women who enter the labor force are unsuccessful in their search for employment. With a few periodic exceptions (e.g., the recession of 1981-1982),

women's unemployment rates in the South as well as the rest of the nation have remained stubbornly above those of men. For black women in the South, unemployment in the 15-20 percent range has become standard.2

Even women who do find a job, however, do not necessarily find a living wage or genuine opportunity. Their employment is likely to be in the vast ghetto of "women's work," where wages are low, fringe benefits are few, and opportunities for advancement are often nonexistent. Seventy-nine percent of employed southern women work as waitresses, secretaries, garment workers, and in other predominantly female jobs.3 Most analysts who study the structural origins of women's inferior economic status agree on the fundamental importance of this single factor—occupational segregation.

Occupational segregation is the outcome of a complex historical process whereby specific types of jobs were allocated according to the race and gender of the worker. Occupational segregation historically confined most black women, for example, to one of the single lowest wage jobs in the country, domestic service. As recently as 1960, nearly one-half (45 percent) of all employed black women in the rural South were domestic workers.4 Today, segregation remains evident throughout the labor force. For example, 98 percent of southern secretaries are female, and 30 percent of employed women in the South are clerical workers.5 Moreover, it is likely that these aggregate figures reveal only a small portion of the segregation that actually exists. Within a broad occupational category like sales, white men tend to be concentrated in relatively high paying commission sales, white women tend to be sales clerks, and black women, if hired at all, tend to be cashiers. In other words, the more one disaggregates each occupation, the more segregation one tends to find. Studies at the company level have documented pervasive segregation even within a single, apparently integrated job title. Men are assigned to one location or department and women to another.6

For women, one of the most devastating consequences of occupational segregation is reduced earning power. Southern women are the lowest wage workers in the lowest wage region of the country. In 1984, those who worked full-time, year-round still earned on average only 65 cents for every dollar earned by southern men.7 Perhaps more revealing are the actual income figures for traditionally female occupations. In 1983, secretaries in the SGPB states earned an average annual income of $9,532. Sales clerks, cashiers, and other non-supervisory sales workers—also a predominantly female category—earned $5,964.8 At such a meager income, a woman with one dependent child lives below the official poverty threshold, despite—indeed, because of—her employment in a female job.

A second impact of occupational segregation is the differential impact of specific employment trends on male and female workers. Occupational segregation is a pervasive and fundamental characteristic of the labor force, yet few analyses of trends in the southern economy take it into account. For example, of the numerous articles on declining employment in southern textiles and apparel, almost none mentions the predominantly female composition of these production work forces. Nearly two-thirds of southern textiles and apparel workers are women, and the majority of these women are rural. Far more than their urban counterparts, rural women are dependent on manufacturing for their employment. Thus, in human terms, the layoffs and reduced work forces in textiles and apparel mean, above all, a loss of opportunity for rural women. For rural black women, who have fewer employment alternatives than white women, the loss is especially devastating. Analysts of employment trends in leading textile states have examined aggregate unemployment data and concluded that the economy has absorbed workers displaced from the mills. Again, however, this failure to take into account the differential experience of female and male workers is crucial and misleading. In 1984, the aggregate unemployment rate in North Carolina, a leading textile producer, was indeed below the national average at 6.7 percent. However, the unemployment rate for women in the state was above the national average at 8.3 percent, and for black women, the rate was 17.8 percent.9 The loss of women's employment in textiles and apparel appears to have contributed at least in part to this situation.

The labor market is a fundamental mechanism by which structural inequities are generated and perpetuated in the South. For policy makers and others concerned with creating a more equitable future for southern citizens, the labor market—or, more broadly, employment discrimination—must command priority attention. There is a pressing need to reduce the inequities experienced by

women and minorities through equal employment access, on-the-job training, affirmative action in hiring and promotions, comparable worth in civil servants' pay schedules, etc. The labor market is not blind to race and gender; it consistently and systematically allocates opportunity according to color and sex. Those who seek equity in the South must be similarly consistent and systematic in their actions to overcome these structural inequalities.

## HOUSEHOLD COMPOSITION

The conventional ideal of the American family, consisting of a father who goes to work every day and a mother who stays at home to care for two children, is a vanishing species. Not only is the composition of families changing, the allocation of financial responsibility among family members, especially between mothers and fathers, is also changing. In essence, women—whether as single individuals, single parents, or working wives—are shouldering far more financial responsibility for themselves, their children, and other family members. They are doing so, however, on wages far lower than those of men, especially white men.

Today, the mother who stays home to care for her children is in the minority. Replacing her is the harried figure of sit coms, TV dramas, and comic strips, the woman who works a triple shift as mother, wage earner, and homemaker. Among mothers in the SGPB region, an even higher proportion than the national average (in 1982, 58 percent compared to 56 percent)10 are working for wages outside their homes. Many of these women are working wives who contribute essential income to their households; others, however, are women raising children on their own. Female-headed families are one of the fastest growing household types in the United States; they are also the fastest growing segment of the poverty population. In 1983 in the South, there were nearly three and one-half million women caring for families on their own, over one-third of whom lived in poverty. Of these 1.25 million poor women, 44 percent lived in nonmetropolitan areas and 59 percent were black.11

Numerous explanations for the feminization of poverty, especially in the black community, compete for predominance. One of the most popular holds the explosion of teenage pregnancy responsible. In fact, however, the number of live births per 1,000 black girls age 15 to 19 years has actually declined since 1970 (from 141 to 97 in 1982).12 What has changed is the tendency for young black mothers to keep their babies and to remain unmarried. Without minimizing the serious health as well as financial consequences of teenage pregnancy, it must be stressed that this problem is only one element in a far more complex and wide-ranging economic crisis facing the black community. When the official unemployment rate for black youths persistently hovers in the 40-50 percent range, when black women consistently are the most underpaid, underemployed and unemployed group in the adult population, and when black men shoulder the primary brunt of declining employment in traditional manufacturing (the single most important field of opportunity they found in the years after World War II), then it is clear that the problem of black women and children's poverty far exceeds the phenomenon of teenage pregnancy.

As a group, white women are not experiencing economic crisis to the same degree as women of color. Women of all races, however, are caught in an economic squeeze play: their financial responsibilities for themselves and their children are rising at the same time as their economic opportunities are stagnating or, in some cases, declining. In social terms, this means that the cost of raising the next generation is being borne by those with the lowest earning power and least access to resources of any group in the population. This problem is at the heart of the feminization of poverty.

## CONCLUSIONS

If sex equity is to be achieved in the South, then the special needs and circumstances of women must be recognized and incorporated into state programs and policymaking. Those needs include quality child care, training in higher wage industrial and technical jobs, equal access to higher wage jobs, equal access to capital, and individual technical assistance for women seeking to start their own businesses. If women are to benefit fully from the growth of the service economy in which they figure so prominently, they must have access to the services they provide for others, such as education and health care, and they must own and control a greater portion of

service enterprises. If women are not to be ghettoized in the service sector, however, they must also receive vocational and technical training in nontraditional jobs, and they must have access to those jobs once trained.

The greatest and most direct power that policy makers presently hold over the goal of sex equity does not lie in their vocational education or small business development programs, however. It lies in their role as employers of women. Eighteen percent of employed women in the South work directly for state and local governments, but they are concentrated almost exclusively in the lowest wage jobs of clerical work, food service, and school teaching.[13] Women are effectively barred from employment in higher wage jobs, e.g., in road construction, and they are underrepresented in higher administrative posts. An on-going investigation of all states' Departments of Transportation by the Federal Highway Administration has documented that women hold less than four percent of all higher paying craft and administrative jobs in these departments.[14] More than industrial recruitment strategies or business development programs, policymakers could have an enormous impact on the goal of sex equity by revising the personnel policies that affect their own workers.

Finally, existing social policy with regard to child care must be revised, for it is at least 20 years out of date. The need for high quality, locally controlled child care, especially in rural areas, is so pressing, so urgent, that it can scarcely be overestimated. The fact that a majority of mothers—those in whom primary responsibility for child-rearing traditionally has been vested—now spend at least eight hours each day working in the paid labor force simply has not yet been absorbed on the social policy agenda. As a result, many lower income women face a heartbreaking choice between providing direct care for their children and leaving them inadequately tended while they work to put food on the table. Not only have policymakers not addressed this problem. In some cases, they have aggravated it through, for example, workfare programs that require women's employment without making financial or other provisions for child care.

Women are a key and integral part of the southern economy. Their labor power is crucial to employers, their earning power is crucial to families, and their buying power is crucial to communities. If the South's future is to include a better life for all residents, then sex equity must be put on the agenda of economic and social policy. At stake in this goal is the economic status of a majority of the adult population, and the wellbeing of present and future generations of southern children.

## NOTES

[1]This figure refers to married women and married men. See U.S. Department of Labor, Bureau of Labor Statistics, *Perspectives on Working Women: A Data Book*, 1980.

[2]U.S. Department of Labor, Bureau of Labor Statistics, *Geographic Profile of Employment and Unemployment*, successive editions.

[3]U.S. Bureau of the Census, *1980 Census of Population*.

[4]U.S. Bureau of the Census, *1960 Census of Population*.

[5]U.S. Bureau of the Census, *1980 Census of Population*.

[6]See the works by James N. Baron and William T. Bielby, especially "A Woman's Place Is with Other Women: Sex Segregation in the Workplace", presented to the National Research Council Workshop on Job Segregation by Sex, Washington, D.C., May 24-25, 1982.

[7]U.S. Bureau of the Census, Current Population Reports, "Money Income and Poverty Status of Families and Persons in the United States: 1984", Series P-60, Number 149.

[8]"Recent Occupational Shifts in the South", *Strategic Indicators*, Issue No. 3, Southern Growth Policies Board, July 1984.

[9]U.S. Department of Labor, Bureau of Labor Statistics, *Geographic Profile of Employment and Unemployment, 1984*.

[10]Stuart Rosenfeld, "Expanding Options for Women in the Southern Work Force", *Foresight*, Volume 2, Number 3, July 1984.

[11]U.S. Bureau of the Census, Current Population Reports, "Characteristics of the Population Below the Poverty Level: 1983", Series P-60, Number 147.

[12]Children's Defense Fund, *Black and White Children in Poverty: Key Facts*, and the analysis of black poverty in "Hard Times for Black America", *Dollars and Sense*, April 1986.

[13]U.S. Bureau of the Census, *1980 Census of Population*.

"These data are the preliminary findings from an investigation undertaken by the U.S. Department of Transportation pursuant to an administrative complaint filed by the Southeast Women's Employment Coalition. For further information, contact SWEC, 382 Longview Drive, Lexington, KY 40503.

Appendix D

# STATUS OF OLDER PEOPLE IN THE SOUTH

A Position Paper Prepared for the
Commission on the Future of the South
Southern Growth Policies Board

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## INTRODUCTION

The well-being of older southerners and the ability of southern states to promote the dignity of older citizens depends upon the capacity of older people to maintain independence in their personal lives. Independent older people, capable of self care in their own homes and communities, are a welcome community resource. On the other hand, older people who lose their capacity for self-support often become dependent upon the local community for public resources to insure that they live dignified lives. Thus, policies and programs that enhance and protect the potential for personal independence are essential to strategies that successfully manage southern growth.

Two factors influence the ability of older people to remain independent. They are: (1) rapid industrial development in the South that has narrowed the economic gap between southern states and the rest of the nation and (2) the rapid immigration of older people to southern States.

## AN UNWELCOME PRODUCT OF RAPID INDUSTRIAL DEVELOPMENT

While southern economic development has raised the aggregate income of southerners to levels comparable with other parts of the United States, this economic growth has had little impact on older adults who are natives of the South or who have spent their pre-retirement years living and working in the South. Most of these persons do not have private sources of retirement income. (See Table 1.) For most older people in the South, Social Security is the main source of economic support. Unfortunately the basis of determining retirement income depends on wage and employment patterns that existed before the recent southern revitalization. For example, Social Security benefits are closely tied to labor force earnings. When Social Security covered wages are low, the retirement benefit is also low. Moreover, labor and employment practices that existed before this present experience of economic development included considerable labor that was not covered by Social Security, mostly agricultural labor, and marginal formal labor force participation, as in the case of many blacks. Since the South was undeveloped economically during this time, private pensions and/or savings never developed sufficiently as a source of retirement income for the many native retired southerners.

The structure of early labor force participation that has shaped the form of retirement income for native southerners has produced a growing income gap between southern older adults and the southern population as a whole. Table 2 displays the ratio of family income to the poverty ratio, showing that 19.4 percent of older persons live in families with incomes below the poverty level, and 28.9 percent are living with incomes 125 percent or less of the poverty level.

Although almost all older adults receive Social Security and/or Railroad Retirement benefits, the mean individual reported benefit was $4,143 per year. The largest Social Security benefit paid in the region in 1985 was only $14,400. The mean interest income was $2,099, private retirement contributed $1,452, and wages, self-employment and dividends contributed another $1,990 to aggregate income. Thus, the aggregate mean income of older people in the South is less than $11,000 per year, of which Social Security contributes only 40 percent. In view of Table 1, which shows the limited coverage of income sources other than Social Security, a sizable difference in income among older people exists in the South. This observation is confined by the fact that the standard deviation of total family income is almost $13,000. Table 3 shows the Social Security benefit distribution by states in the South.

## MIGRATION INTO THE SOUTH

The second factor that influences the ability of older people to live independently results from the large influx of older people, mostly from the North, to the southern states. This migration of retired persons to the southern states is greater than to any other part of the nation, placing a great strain on the infrastructure of the region and on the individual states. Unlike persons who spent their employment years in the South, migrating older adults may have greater financial retirement resources to purchase what they need to remain independent. But often the resources they need have not been sufficiently developed or are in short supply. When needed resources do exist, their short supply often drives-up the relative price, making resources even more difficult and costly to obtain.

An irony results from this pattern of migration. Older people frequently seek retirement in the South where the cost of living is less, thus providing greater value to their retirement incomes, but the scarcity of resources for older people makes the amenities which they seek relatively more expensive than they might be in their home communities. In general, southern states have been very receptive to in-migration of older people, and in some cases entire sub-economies have been developed around large concentrations of older people, as in St. Petersburg, Tampa, and Miami, Florida. Thus, despite the large share of older people who are in poverty, they are not proportionally represented in the distribution of public resources most frequently used to support them in their own homes. For example, 82.5 percent of the South's older people live in their own homes, but almost seven percent live in rooming houses—way above the national percentage—and 0.02 percent live in various group settings—way below the national percentage. Almost 20 percent of the older people are in poverty, less than three percent of them live in public housing, three percent pay no rent, less than one percent receive food stamps and only 10.9 percent receive supplements to income from Supplemental Security Income (SSI).

Other measures of an inadequate social and economic infrastructure necessary to support older people in their own homes can be found in the shortage of affordable rental housing, poor access to medical care due to inadequate medicare and medicaid coverages, inadequate centers for delivering personal care services for older people, particularly in the rural areas of the South, and inadequate and undeveloped forms of public transportation. Taken together, the high incidence of low income among southern older people, the continued rapid migration of older people into the region, and the inadequately developed infrastructure of resources to meet older people's needs to live independently portends serious problems of potential public dependency among this group of people unless these issues are addressed now.

## SOME ALTERNATIVES FOR ACTION

First, efforts should be undertaken to insure that the financial welfare of the South's older adult population is adequate. This includes supporting national efforts that will maintain current levels of Social Security payments, and initiating state-level income assistance programs where needed. It is important to note that none of the southern states provides across-the-board SSI financial supplementation for older people beyond the federal guaranteed payment. Four states, Georgia, Mississippi, Arkansas, and Tennessee, provide no supplementation at all. The other states provide supplementation for older people who live in medically approved residences. Considering the fact that nursing home care may cost $20-50,000 per year, and rest home care costs $8-10,000 per year, a supplement of $2-3,000 in SSI payments, when such supplements help other people maintain their own homes, represents considerable future savings.

Second, southern states might undertake efforts to improve housing resources for older people. Although federal public housing programs have been drastically reduced in the current administration, southern states would be well advised to initiate efforts that would enable them to use these programs to expand housing for the elderly at such time as these programs receive funding.

Third, a system of in-home care services should be a priority in each southern state. Such programs should be able to support the 83 percent of older people who presently live in their own homes. Keeping people in their own homes and communities can be accomplished at costs well below costs for institutionalized care or group homes. Moreover, the costs of these services can be born by private individuals who can afford to pay for the services and by state-wide private organizations who presently serve older people.

## CONCLUSION

The South's older adult population poses some unique problems that may be costly problems in the future if not anticipated and planned for at present. With good planning now, the South's older adult population can continue to serve as vital resources for the communities in which they live, rather than become dependent burdens on their states.

## TABLE 1

## PERCENTAGE OF OLDER ADULTS WITH INCOME BY SOURCE SOUTHERN REGION

| *Source* | *Percent with Reported Income* |
|---|---|
| Farming | 0.9% |
| Dividends | 21.0 |
| Interest | 57.9 |
| Private (Employee) Pensions | 24.3 |
| Self Employment | 2.2 |
| Social Security | 92.1 |
| Supplemental Security Income | 10.9 |
| Veterans Pensions | 6.0 |
| Wages/Salary | 12.7 |

Source: U.S. Census Current Population Reports, 1985.

## TABLE 2

## RATIO OF FAMILY INCOME TO POVERTY RATIO
## SOUTHERN REGION

| *Poverty Ratio* | *Number of Families** | *Percent of All Families* | *Cumulative Percent of All Families* |
|---|---|---|---|
| Under .50 | 107 | 2.166 | 2.166 |
| .50- .74 | 252 | 5.102 | 7.269 |
| .75- .99 | 600 | 12.148 | 19.417 |
| 1.00-1.24 | 468 | 9.476 | 28.892 |
| 1.25-1.49 | 411 | 8.322 | 37.214 |
| 1.50-1.74 | 359 | 7.269 | 44.483 |
| 1.75-1.99 | 304 | 6.155 | 50.638 |
| 2.00-2.49 | 514 | 10.407 | 61.045 |
| 2.50-2.99 | 403 | 8.160 | 69.204 |
| 3.0-3.49 | 303 | 6.135 | 75.339 |
| 3.50-2.79 | 252 | 5.102 | 80.441 |
| 3.50-3.99 | 191 | 3.867 | 84.309 |
| 4.00-4.49 | 152 | 3.078 | 87.386 |
| 5.00 and over | 623 | 12.614 | 100.000 |

Source: U.S. Census Current Population Reports, 1985.
*Survey sample consists of 4393 families.

## TABLE 3

## AVERAGE NUMBER SOCIAL SECURITY BENEFITS AND PERCENT SSI OVERLAP*

| | *Percent of SSI Recipients Who also receive Social Security* | *Average Monthly Social Security Benefit* |
|---|---|---|
| USA(Total) | 70.1 | $243.95 |
| AL | 76.0 | 208.92 |
| AR | 79.0 | 210.08 |
| FL | 50.2 | 223.58 |
| GA | 73.7 | 217.56 |
| KY | 74.5 | 205.54 |
| MS | 78.8 | 201.80 |
| NC | 79.0 | 209.33 |
| OK | 67.7 | 216.61 |
| SC | 78.0 | 213.58 |
| TN | 77.8 | 209.15 |
| VA | 74.9 | 210.96 |

*1983 Data Source Social Security Administration

APPENDIX E

## ADDITIONAL TESTIMONY CONSIDERED

**Joan Cates,** Georgia Housing Coalition, Inc.
**Chenay Costen-Boyce,** Rural Day Care Association of Northeastern North Carolina
**Carol Edelson,** 9to5 National Association of Working Women
**Carolyn Farrow-Garland,** Coalition on Block Grants and Human Needs
**Carter Garber,** Southern Neighborhoods Network
**William R. Jessup,** New Hanover Human Relations Commission
**E.T. Kehrer,** Southern Area Civil Rights Department, AFL-CIO
**Victor K. Ray,** Arkansas Land Stewardship Project
**Carolyn Vogler,** Delta Maternity Center

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For information about the Board and its work, please write: The Southern Growth Policies Board, P.O. Box 12293, Research Triangle Park, NC 27709. Telephone (919) 549-8167.

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